

R37. Government Operations, Risk Management.**R37-2. Risk Management State Workers' Compensation Insurance Administration.****R37-2-1. Purpose.**

The purpose of this rule is to establish the responsibilities and guidelines governing the acquisition and administration of workers' compensation insurance, the allocation of costs and the required activities or actions of covered agencies utilizing this coverage.

R37-2-2. Authority.

This rule is established pursuant to Section 63A-4-101 which authorizes the State's Risk Manager to recommend rules to the Department Director who is authorized to enact rules; and Subsection 63A-4-101(2)(a) which authorizes the State's Risk Manager to acquire and administer workers' compensation insurance for the state.

R37-2-3. Workers' Compensation Costs Allocation.

The State's Risk Manager shall allocate workers' compensation insurance costs to state entities on the basis of an equitable and actuarially sound distribution of costs. The Risk Manager shall collect these funds through the state's payroll process. The following factors may be considered in developing this allocation:

- (1) Covered entity injured workers' compensation claims and accident history and trends.
- (2) Covered entity participation in preferred provider programs designated by the Risk Manager.
- (3) Covered entity safety, loss prevention and loss control programs.
- (4) Covered entity disability prevention efforts.
- (5) Covered entity injured worker temporary transitional duty, and return to work programs.
- (6) Covered entity case consultation and cooperation with Risk Management.
- (7) Covered entity payroll by rate classification.

R37-2-4. Expenditure of Workers' Compensation Collections.

The expenditure of collected funds shall be made with the approval of the Risk Manager. In addition to other activities which reduce the overall workers' compensation costs to the state, the collected funds may be expended for:

- (1) Workers' Compensation Insurance premiums for state entities.
- (2) Work site modification and assistive technology to return injured employees to work.
- (3) Employee safety and loss control programs.
- (4) Disability and injury prevention programs.
- (5) Claims management systems.
- (6) Claims information systems.

R37-2-5. Preferred Provider Program.

The Risk Manager may designate a preferred provider program developed by the state's workers compensation insurer, or a preferred provider program developed by Risk Management. Additional contracted facilities or providers may be designated by the Risk Manager. Any designated program shall be in accordance with statutes and rules governing such workers' compensation programs. If the Risk Manager designates any preferred provider program or additional contracted facility or providers state entities shall notify employees of them and require their use by employees for initial treatment.

R37-2-6. Temporary Transitional Duty.

Covered entities shall develop return to work and temporary transitional duty procedures. Entities shall ensure that these procedures are in accordance with the requirements of the "Americans With Disabilities Act", and other applicable laws and rules. The procedures shall provide for the return of injured employees to work at the earliest appropriate date.

R37-2-7. Agency Notice and Other Requirements.

All state entities shall do the following with respect to any employee or volunteer injury:

- (1) Provide immediate notification to Risk Management through a phone call, E-mail, or facsimile, when any of the following conditions occur:
 - (a) Serious injury.
 - (b) An injury which is questionable or appears to be fraudulent.
 - (c) An accident involving the death of an employee.
 - (d) An accident where a third party action caused the accident, death or injury.
- (2) Notify the Division of Industrial Accidents of the Utah State Labor Commission of incidents, as required by Subsection 34a-2-407(4).
- (3) Within seven days of an employee injury, complete a "First Report of Injury Form" provided by Risk Management.
- (4) Distribute copies of the "First Report of Injury Form", as indicated on the form, to the Division of Industrial Accidents of the Labor Commission, the state's Workers' Compensation insurer, Risk Management, and the injured employee.

KEY: risk management, workers compensation

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